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3 RIVERS
COMMUNICATIONS

February 7, 2014

Ms. Marlene Dortch
Secretary
Federal Communications Commission

The purpose of this letter is to express interest in participating in the Commission's Rural Broadband Experiment.

3 Rivers Communications is a telecommunications cooperative with headquarters in Fairfield, Montana. The cooperative provides voice, data, and video services to 15,000 customers along the eastern Rocky Mountain Front and has been in existence since 1953. We are the incumbent local exchange provider in 26 exchanges encompassing 17,000 square miles. With an average density of less than one customer per square mile, 3 Rivers faces many challenges in bringing advanced services to our customers.

To provide our customers with the advanced services, notably broadband, 3 Rivers has been making major upgrades to its network. Through a combination of deploying new fiber-fed carrier systems and Fiber-To-The-Premise (FTTP), 95% of our customers have high-speed broadband available to them. The long-term solution to providing the ever increasing bandwidth our most rural customers need is to replace copper with fiber. The loop lengths required to reach many of our customers is simply too great to provide reliable high-speed broadband. Because fiber is relatively distance insensitive, it is the only way to provide high bandwidth, particularly when we look to the future when customers will need 100+ mbps speeds. To date 3 Rivers has provided FTTP to about 25% of our customers, both residential and business. Our deployment of fiber is slowed by two factors. First, we have a relatively short construction season within which to work. Second is the tremendous cost of deploying fiber. Based on the eight most recent exchange-wide projects, the average cost is approximately \$17,000 per customer.

One of 3 Rivers' largest exchange is Browning, MT, which includes almost all the residences and businesses on the Blackfeet Reservation – a very large reservation located in North Central Montana. About 2,000 of those customers live in the towns of Browning and Heart Butte and generally have 6 mbps broadband available to them. Most of the anchor institutions have a FTTP connection and all can get 50 mbps service. But approximately 750 customers, primarily residential, live too remotely to receive any more than 1 mbps service.


Our project is to upgrade our Browning Exchange so that all customers living on the Blackfeet Reservation have broadband speeds of at least 50 mbps available to them. We would accomplish this through a combination of electronics upgrades (deploying

VDSL) in the towns and FTTP for the most rural customers. The estimated cost for this project is about \$15 million. 3 Rivers would match any funds received from the Broadband Experiment, so the request will be for approximately \$7.5 million one-time funds. 3 Rivers would not require any subsequent funds to operate the network on the reservation.

The Blackfeet Reservation, like many across this nation, suffers from high poverty and high unemployment. About half of our customers there participate in the Tribal Lifeline program. And as the Commission has voiced on many occasions; reliable high-speed broadband is increasingly critical for educating people and driving economic vitality. While many factors affect economic growth on the Blackfeet Reservation, this project would eliminate one major impediment to that growth and provide much needed assistance to the Blackfeet Nation.

I look forward to seeing the rollout of the Rural Broadband Experiment.

Sincerely,

A handwritten signature in dark ink, appearing to read "David Gibson", with a stylized flourish at the end.

David Gibson
CEO and General Manager
3 Rivers Communications